

# **COUNTY OF LOS ANGELES**

#### DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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> IN REPLY PLEASE REFER TO FILE: WM-0

A4497-2

July 14, 2016

TO: Each Supervisor

Farher FROM: Director of Public Works Gail Farber

BOARD MOTION OF APRIL 5, 2016, AGENDA ITEM NO. 14 REPORT ON FUNDING MECHANISMS TO IMPLEMENT THE WATER RESILIENCE PLAN

On April 5, 2016, the Board instructed the Department of Public Works to prepare the following reports: (1) by June 3, 2016, report on the actions, timeline, and budget necessary to develop a Water Resilience Plan; and (2) by July 15, 2016, report on the funding mechanisms to implement the Water Resilience Plan.

Attached is the requested report addressing funding mechanisms to implement the Water Resilience Plan. This report was prepared by the Water Resilience Workgroup. The workgroup includes representatives from County Counsel, Chief Executive Office, Assessor, Auditor-Controller, Beaches and Harbors. Parks and Recreation, Registrar-Recorder/County Clerk, Treasurer and Tax Collector, and Public Works, as well as an expert strategic consulting firm with experience in water legislation.

If you have any questions, please contact me or your staff may contact Gary Hildebrand at (626) 458-4012 or ghildeb@dpw.lacounty.gov.

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Attach.

cc: Chief Executive Office (Rochelle Goff)

**Executive Office** 



# WATER RESILIENCE PLAN: FUNDING REPORT

Identification of available funding mechanisms and authorities for their creation and implementation

July 2016

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## **Executive Summary**

The Water Resilience Funding Report identifies available mechanisms and authorities for generating revenue to contribute to local water supply, improve water quality, and enhance communities. Three specific funding mechanisms, each with its own statutory restrictions and voter approval process have been identified and are described within the report:

- Special Parcel Tax
- Property-Related Fee
- Property Assessment

Specific legal entities with the authorities to impose one or more of the above mechanisms are also described and evaluated for their flexibility, geographic extent, and formation procedures when applicable. The authorities include:

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- County of Los Angeles
- Los Angeles County Flood Control District (District)
- Special District
- Joint Power Authorities
- Community Service District
- Mello Roos Financing District
- Water Conservation District

#### Introduction

As part of the effort to establish a resilient water future for the County of Los Angeles, it is necessary to identify viable funding mechanisms to underwrite future projects and programs that contribute to optimizing our local water supply, improving water quality. and providing multiple aesthetic and recreational benefits to local communities. Pursuant to the April 5, 2016, Board motion, a Countywide Work Group was formed. County the Departments of including Counsel, Chief Executive Assessor, Auditor-Controller, Beaches and Harbors. Parks and Recreation. Registrar-Recorder/County Clerk, Treasurer and Tax Collector, and Public Works, as well as an expert strategic consulting firm with experience in water legislation, to explore revenue generating mechanisms and administrative options, and determine relevant limitations and opportunities.

## **Revenue Generating Mechanisms**

There is a wide array of mechanisms potentially available to a public entity to generate revenue for programs and projects including taxes, fees, and assessments. Each mechanism carries with it specific requirements and limitations on availability as a means of generating revenue to fund government activities. Based upon guidance from Board Deputies, research began with the following criteria:

- Allow for County-wide application;
- Provide new revenue that does not result in debt or reallocation of existing funding;
- Generate funding for a range of water-related projects and programs (e.g. groundwater recharge, stormwater capture, education), including operations and maintenance; and
- Facilitate timely establishment and implementation (within a framework of 12-18 months).

Upon application of these criteria, a number of conceivable funding measures were rejected. Some funding mechanisms considered early were ultimately excluded from the discussion, including:

- Sales tax ruled out due to its inability to be applied County-wide, since some jurisdictions are already at the State-mandated limit of 10 percent,
- Bonds excluded as a primary revenue mechanism because bonds only allow for capital outlay and not operations and maintenance (except in the context of a Mello Roos Financing District, discussed below);
- Taxes on specific items (i.e. brake pads or bottled water) not included because County has no statutory authority to impose such a tax; and
- Grants excluded because they typically fund only targeted projects or programs, usually provide minimal funding for operations and maintenance, and because of the overall scarcity of available grant funding.

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Based upon this analysis and input from the County departments listed above as well as input from consultants, it appears the most fitting funding mechanisms for the purpose of building water resilience across the County are special parcel taxes, property-related fees, and property assessments. Despite meeting most or all of the criteria established, each of these funding mechanisms has its own limitations and requirements based on statute and are discussed in more detail below.

## Special Parcel Tax:

A special parcel tax is imposed for a clearly-defined purpose and can be calculated as a flat rate or based on other criteria, such as the size of a property's developed area. However, a special parcel tax may not be based upon the value of the property. Special tax revenue must be used for the purpose articulated in the measure, but there is more flexibility for local governments in how revenue is spent as compared to fees or assessments. For example, there is no requirement that programs funded with tax revenues provide direct benefit to the taxed properties.

#### **Rules and Timeline**

Creation of a special parcel tax involves a one-step election requiring two-thirds voter approval, typically during a regularly scheduled election, the dates for which are fixed within Election Code.

## Requirements

- **Nexus Requirement:** Tax revenue collected must be used for the stated purpose.
  - An example of a special parcel tax is the County's Measure B from 2002, which charges each parcel \$0.03 per square foot of structural improvements, excluding parking, and the revenues are required to be used for funding trauma centers, emergency medical services, and bioterrorism response programs throughout the County.<sup>1</sup>
- Exemptions: May be permitted in some circumstances. Examples might include public entities, schools, and certain nonprofits, etc.
- Required Support Materials: Ballot Materials, Resolution.
- Board of Supervisors Approval Requirement: 3 votes
- Election Procedure/Voter Approval Requirement: One-Step Election
  - Step One: Election
    - Election by registered voters requiring approval by two-thirds of votes cast.
- Election Timeline:
  - Election Dates

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<sup>&</sup>lt;sup>1</sup> See more information at:

https://dhs.lacounty.gov/wps/portal/dhs/!ut/p/b1/hc09C8IwGATgn\_ReYhKSsRGbFG0rRNFmkQxSCv1YxN-vBZcWpLcdPMdRpIZDKG52kJruFMf07tr06qYx9XOP6pEDcLUNXF-

tQqZ9OJwcgwviC5oFkJVFBiFr7QXbS2ztbxSXBKWZSXEpZWnZMWdrsL6QWwA gD JQJWfhicNsTdFd24 zXWhg!!/dl4/d5/L2dJQSEvUUt3QS80SmtFL1o2X0YwMDBHT0JTMjhVQjYwQThIU0VMRzEwR0k1/

- Election dates governed by election code the next three regular elections will take place in June 2017, November 2017, and April 2018.
- Board of Supervisors Actions
  - Board must pass a resolution to have the item placed on the ballot at least 88 days prior to the election date.

#### **Property-Related Fee:**

A property-related fee may be levied by certain local public entities to pay for the costs of providing a service to each contributing property. As a result, a clearly demonstrated link between the fee and the service provided to each contributing property is required. Unlike special taxes, fees cannot be levied at a flat rate and the fee amount cannot exceed the proportional cost of the service attributable to each parcel. The basis of the fee must reflect the proportional cost of the service attributable to the parcel.

#### Rules and Timeline

Creation of a new fee is subject to a two-step process with two options for the election. The first step involves a required public hearing. A notice is sent out to each property owner along with an option to protest the proposed fee. If a majority of property owners do not submit a protest ("no majority protest" exists) at the conclusion of the public hearing, the governing body may proceed to the second step, an election. The governing body may choose to conduct a property-owner election by mail or an election by registered voters, similar to the election required for a special parcel tax. A property-owner election requires a simple majority of returned ballots for approval. A registered voter election requires two-thirds voter approval. Unlike registered voter elections (which are required for special taxes), a property-owner mail ballot option is not tied to regular election dates. Supporting documentation customarily would likely include an Engineer's Report to articulate the calculations of the fee in relation to the service provided to each property.

#### Requirements

- **Nexus Requirement:** Pursuant to Proposition 218, clear and direct link between the fee and the specific service provided to the property is required.
  - o For example, the City of Rancho Palos Verdes levies a property-related fee to fund its storm drain system, whereby use of the storm drains attributed to each parcel is quantifiable by the amount of impervious area on the parcel, which contributes directly to the quantity of runoff entering the storm drains. <sup>2</sup>
- **Exemptions:** All properties must be subject to the same treatment, so no exemptions are permitted; in some cases, external funding may be used to pay the fees of certain properties to create an effective exemption.

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<sup>&</sup>lt;sup>2</sup> See fee information at:

https://www.municode.com/library/ca/rancho\_palos\_verdes/codes/code\_of\_ordinances?nodeId=TIT3REFI\_CH3.4 4STDRUSFE\_3.44.020FELE.

- Required Support Materials: Engineer's Report not required, but recommended to articulate the basis for fee calculation and its link to the service provided; Ordinance.
- Board of Supervisors Approval Requirement: 3 or 4 votes, depending upon the statutory authority for the fee and the authority through which it is levied.
- Election Procedure/Approval Requirement: Two-Step Process under Proposition 218
  - Step One: Protest hearing
    - A notice must be mailed to each property owner at least 45 days prior to the protest hearing; if there is no majority written protest, the governing body may proceed to step two.
  - Step Two: Election (2 Options)
    - Option 1: Property Owner Ballot
      - Ballots are mailed to affected property owners and approval requires a simple majority of ballots returned by the election deadline. Each parcel is entitled to one vote of equal value.
    - Option 2: Registered Voter
      - The fee may be placed on a ballot for registered voters and is subject to approval by two-thirds of the electorate.
    - Note: If the fee is for water provision, sewer, or refuse collection, no election is required. Any other use of fees requires following the election process stated above.

#### • Timeline:

- Property Owner Ballot
  - Minimum of 90 days notices of protest hearing must be mailed to property owners at least 45 days prior to the date of the hearing, and the election must occur at least 45 days after the hearing.
- Registered Voter
  - Minimum of 133 days notices of protest hearing must be mailed to property owners at least 45 days prior to the date of the hearing, and the Board must pass a resolution to have the item placed on the ballot at least 88 days prior to the election date.

#### **Property Assessment:**

A property assessment may be levied by local public agencies to pay for special benefits provided to the properties being assessed. The costs to provide general benefits to the public as a whole cannot be charged to specific properties. The amount of the assessment paid by each property cannot exceed the value of the special benefit received in proportion to other properties. Furthermore, election votes are weighted according the amount of assessment levied.

#### **Rules and Timeline**

Creation of a property benefit assessment at minimum requires mailing notices and ballots to affected property owners and conducting a public hearing, and requires approval by a weighted majority of the ballots returned. Since assessment elections are conducted via mail, they are not tied to regular election dates.

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## Requirements

- **Nexus Requirement:** Pursuant to Prop 218, special benefit must be provided to the property in proportion to the amount paid.
  - o For instance, the County's Improvement District No. 2661-M (sewers) levies an assessment to pay for the construction of a sewer. Using a formula that calculates proportional health and safety, reliability, and financial stability benefits received by each parcel, the Engineer's Report determined that each single-family parcel received the same special benefit from construction of a sewer, resulting in the levy of the same special assessment on each parcel.<sup>3</sup>
- Exemptions: Not permitted
- Required Support Materials: Engineer's Report, Resolution
- Election Procedure/Approval Requirement: One-Step Proposition 218 Process
  - Step One: Voting and public hearing
    - Notice of public hearing and ballot must be mailed to each property owner at least 45 days prior to the public hearing/close of the voting period;
    - Approval requires weighted majority of ballots received, such that properties that would pay a higher assessment receive a larger share of the vote.
- Board of Supervisors Approval Requirement: 3 or 4 votes, depending on requirements of legislative authorization.
- **Election Timeline**: Voting period ends at the conclusion of the public hearing, which must occur at least 45 days after the notice and ballots are mailed.

**Table 1. Funding Mechanisms** 

	Special Parcel Taxes	Property- Related Fees	Property Assessments	
Program Structure / Nexus Flexibility	Flexible	Limited	Very Limited	
Exemptions (public, educational, religious entities)	Flexible	Not Allowed*	Not Allowed	
Election Requirement	Voter: 2/3 votes	Voter: 2/3 votes	es Voter: N/A	
	Prop. Owners: N/A	Prop. Owners: majority	Prop. Owners: weighted majority	

<sup>\*</sup>although exemptions are not allowed, one entity's fee can be paid by another entity



<sup>&</sup>lt;sup>3</sup> See the details for the assessment beginning at page 66 of the file located at: <a href="http://emma.msrb.org/ER857247-ER669700-ER1071529.pdf">http://emma.msrb.org/ER857247-ER669700-ER1071529.pdf</a>

## **Administrative Options**

Imposing a tax, fee, or assessment requires a sanctioned entity with the statutory authority to implement these funding mechanisms and administer any related programs. As with the research on funding mechanisms, a number of assumptions were made during the process in order to select and investigate the authorities that are most fitting. The criteria established include:

- Allow for County-wide authority;
- Do not overlap or duplicate the powers or jurisdictions of existing authorities;
- Provide new revenue that does not result in debt or reallocation of existing funding;
- Establish flexible authority to fund a range of water-related projects and programs (e.g. groundwater recharge, stormwater capture, education), including operations and maintenance;
- Allow for timely formation, if needed, and implementation (within a framework of 12-18 months); and
- Integrate flexible governance structure that responds to broad needs of water resilience program.

As a result of the application of the established criteria, a number of possible authorities were excluded because they were deemed too restrictive to meet the needs of a water resilience effort. Some of the authorities excluded are:

- Sanitation Districts of Los Angeles County ruled out because they cover a limited portion of the County;
- New Municipal Water District(s) not considered because they have limited authorities and would duplicate and overlap the authorities and jurisdictions of numerous existing municipal water districts; and
- New Enhanced Infrastructure Financing Districts (EIFDs) excluded because they do not create new revenue but divert future incremental increases in existing revenue sources to fund new projects.

The research resulted in selection of the authorities discussed below, each of which are subject to differing restrictions and may levy a different mix of taxes, fees, and assessment as per their statutory powers. While not all of the authorities described below meet all selection criteria, they are included because of their potential usefulness as components of a viable funding program and governance structure.

## **Existing Authorities:**

## **County of Los Angeles**

Within County Unincorporated Areas, the Board of Supervisors has broad authority to implement programs and projects in the interest of the general health, safety, and welfare of the community. The County Board of Supervisors is also specifically authorized to implement projects to supply water for use within the County Unincorporated Areas.

Pursuant to these authorities the County may perform within its Unincorporated Areas a wide array of programs and projects that would contribute to water resilience, including water supply (stormwater capture, desalination, and water recycling), water quality (mitigation of stormwater and groundwater pollutants), and associated community amenity projects (open space, recreation, and habitat).

In contrast, the Board of Supervisors has very limited authority to act within the boundaries of incorporated cities for water resilience purposes and may only engage in such activities within those areas with the permission of the cities themselves.

- Scope of Authority: Water supply (stormwater capture, desalination, and water recycling), water quality (stormwater and groundwater mitigation), and amenities (open space, recreation, and habitat)
- Boundaries: County Unincorporated Areas only
- Governance: County Board of Supervisors
- Funding Mechanisms: Taxes and fees
- Formation Requirements: N/A

## **Los Angeles County Flood Control District:**

The Los Angeles County Flood Control District (District) is a legal entity separate from the County and governed by the County Board of Supervisors. The District is authorized by statute to provide flood protection and water conservation in the form of groundwater replenishment within the boundaries of its territory. The District is also authorized to restore and protect natural habitats, enhance aesthetic appeal, and provide passive recreation in conjunction with the operation of its facilities.

Although the District does not cover the entire County, it encompasses 86 cities and numerous unincorporated areas, operating numerous flood protection and water conservation facilities, including dams, reservoirs, and spreading basins used to augment local groundwater for the benefit of the District and its inhabitants.

The funding mechanisms available to the District are currently limited to assessments for flood protection services and a narrow authority granted to levy a fee to improve water quality pursuant to AB 2554. New legislation would be required to expand the District's authority to collect a fee. The District is also authorized to form a Mello Roos financing district and impose a special tax under the Mello Roos Act, as discussed in more detail below.

- **Scope of Authority**: Water supply (stormwater capture and replenishment, recycled water replenishment) and water quality (stormwater mitigation)
- **Boundaries:** All County areas except the northern portion of the county (north of Avenue S)
- Governance: County Board of Supervisors
- Funding Mechanisms: Limited Fee and Assessments (additional legislation required to update fee options)

• Formation Requirements: In order to levy a new fee, new legislation is required; lengthy procedure

#### **New Authorities:**

## **New Types of Special District**

A new special district may be created by State legislation to accomplish any objective or purpose deemed appropriate by the legislature, can include all portions of the County and may be authorized to employ any or all types of funding mechanisms.

A new special district may be specifically tailored to carry out any number of activities to contribute to water resilience programs. However, its formation and the subsequent establishment of a related funding mechanism may require more than two years.

- Scope of Authority: Water supply, water quality, and amenities as determined by new legislation
- Boundaries: Determined by new legislation
- **Governance:** County Board of Supervisors or other means specified by the new legislation
- Funding Mechanisms: Taxes, Fees, and/or Assessments (as determined by new legislation)
- Formation Requirements: New State legislation; requires lengthy procedure

## **New Joint Powers Authority**

Like the County in its Unincorporated Areas, cities have broad authority to implement programs and projects in the interest of the general health, safety, and welfare of their residents within their boundaries. The County and cities may jointly exercise any power common to them through agreement, once authorized by their respective governing bodies.

A number of Joint Powers Authorities (JPAs), such as Councils of Governments, exist in the County for a variety of purposes. Given the nature of JPA agreements, all parties must contract to share specific common powers for select purposes. Based on current research, there does not appear to be any existing JPAs that provide for the sharing of powers directly relevant to building water resilience. Existing agreements would require modification to include powers that could contribute to water-relevant programs and projects.

County general authority: a new JPA could be formed by agreement between the County and one or more cities to exercise the common power to promote the general health, safety, and welfare through implementation of programs and projects that contribute to water resilience. The resulting JPA would comprise the County Unincorporated Areas and the territories of each city party to the agreement, requiring up to an 89-party agreement to cover the entire County. The JPA could collect a tax or a fee, as determined by the agreement and the powers of signatory entities. It is possible that some cities would choose to opt out of the JPA resulting in noncontiguous

areas, which make imposing a fee problematic because of the required nexus between revenue collected and services provided to each property.

District: a JPA formed between the District and other local entities would cover a large contiguous area of the County, but would be limited by the funding mechanisms available to the District given that all powers must be shared by each member of the JPA.

All opt-in parties must agree to and execute the agreement before proceedings to pursue any funding mechanism may commence.

- Scope of Authority: Water supply, water quality, and amenities as determined by common powers and new agreement
- **Boundaries:** Determined by the participating parties; can extend to jurisdiction of any or all participating parties
- Governance: As determined by participating parties
- Funding Mechanisms: Taxes and Fees (as determined by new agreement)
- Formation Requirements: New Joint Powers Agreement; lengthy procedure

### **Community Service District**

A new Community Service District (CSD) may include the authority to collect, treat, or dispose of sewage, wastewater, recycled water, and stormwater and to acquire, construct, improve, maintain, and operate recreational facilities.

A CSD is formed through a relatively lengthy process that includes approval by the Local Agency Formation Commission (LAFCO) and election of the electorate within the proposed CSD. The formation process requires either a resolution of application by the Board of Supervisors or a petition signed by 25 percent of the resident population within the targeted boundary. Once an application is filed, LAFCO holds a public hearing, and evaluates the proposal based on revenue and taxation implications and environmental impact on local communities. If the proposal is approved, LAFCO holds a second public protest hearing; a majority protest ends the process and prevents a subsequent election. At the election, majority voter approval within the targeted boundary results in the formation of a CSD and subsequent election of the governing board. However, if the proposed CSD relies on a new special tax, two-thirds voter approval is required for formation and levying of the new tax simultaneously within the same election.

A CSD allows for flexibility in the design and implementation of programs and projects contributing to water resilience and may include the entire County. Moreover, a CSD may incorporate the authority to employ a variety of funding mechanisms to underwrite various types of water resilience projects. However, the time required to create a new CSD and approve a funding mechanism may require more than three years. Creation of fees and assessments is not possible until after the CSD is formed.

- Authorities: Water supply, water quality, and amenities
- **Boundaries:** May include both Unincorporated and Incorporated County Areas, either contiguous or non-contiguous.
- **Governance:** Publicly Elected Board of Directors that is independent of the Board of Supervisors
- Funding Mechanisms: Taxes (with 2/3 voter approval upon creation of CSD), Fees, and Assessments (only after CSD is formed)
- Formation Requirements: LAFCO process; lengthy procedure

## Mello Roos Financing District:

A financing district formed under the Mello Roos Community Facilities Act (CFD), would have the authority to levy taxes and issue bonds to acquire or construct a broad range of public facilities that the local agency forming the CFD has authority to construct and acquire. The projects and services funded by the CFD would need to be identified before the CFD is formed. A CFD would also have the authority to finance certain types of services, including the operation and maintenance of facilities owned by the local agency.

A CFD can levy a special parcel tax and the proceeds of this special tax can be placed in the general fund of the CFD and used for any CFD purpose. However, a CFD special tax generally may only be used to fund new or additional services, and may not be used to fund existing services. Therefore, most likely it could not be used to finance maintenance and operation of existing facilities. A CFD can also issue bonds to finance infrastructure projects (but not services), where again a special tax can be levied to repay these bonds.

While Mello Roos Financing is often used for new developments, it can also be used to fund projects and services in existing developments. A CFD may be formed by a city, county, special district (including the District) or a JPA, among others. A CFD may include the entire area of the local agency or a portion thereof, and the boundaries of a CFD may be contiguous or non-continuous. Thus, a CFD may include all or part of the unincorporated area, any city, a special district such as the District, and/or a JPA formed by any number of these entities. The properties included within the CFD boundaries must benefit from the improvements to be constructed or the services to be provided by the CFD but unlike a fee or special assessment, there is no requirement that a CFD-levied special tax be apportioned on the basis of property benefit.

A CFD is formed through multi-step process that requires the legislative body to adopt a resolution of intention to form the district and set a public hearing, conduct a public hearing and then conduct a registered voter election to approve the levy of a special parcel tax and any bonds that will be used to finance the improvements. Approval by two-thirds of registered voters is required. The formation of a CFD does not need to be submitted to LAFCO.

Authorities: Flood protection, water supply, water quality, and amenities

- **Boundaries:** The boundaries may include all or part of the unincorporated area, any city, a special district such as the District, and/or a JPA formed by any number of these entities.
- **Governance:** The governing body of the local entity creates the Financing District
- Funding Mechanisms: Taxes and bonds (with 2/3 voter approval, bonds cannot be used to pay for operation and maintenance.
- Formation Requirements: governing body adopts a resolution of intention, holds a public hearing and conducts an election.

#### **Water Conservation District**

A Water Conservation District has the authority to appropriate, acquire, conserve, and distribute water, and to construct and operate dams, reservoirs, canals, and spreading basins to accomplish these purposes. A Water Conservation District may also operate recreational amenities in connection with these facilities.

A Water Conservation District is formed through a multiple-step process that involves petition by 20 percent or 500 of the qualified electors within the proposed district, followed by a hearing before the Board of Supervisors and, finally, an election.

A Water Conservation District is governed by a board of directors elected by the voters within it.

The funding mechanisms available to a Water Conservation District are a charge for the production of groundwater and a special assessment. Creation of these revenue sources is not possible until after the Water Conservation District is formed. In addition, a Water Conservation District is also authorized to form a Mello Roos Financing District and impose a special tax under the Mello Roos Act, as discussed above.

A Water Conservation District may engage in a wide variety of programs and projects that contribute to water resilience and may encompass the entire County. However, the time required to establish a Water Conservation District and the restricted funding mechanisms are limiting factors.

- Authorities: Water supply, water quality, and amenities
- Boundaries: Determined by specific targeted District and Voter area
- Governance: (3-, 5-, or 7-Member) Board of Directors
- Funding Mechanisms: Groundwater production fee; assessment for any purpose
- Formation Requirements: Petition by 20 percent or 500 of voters living within the district, then Public Majority Election, lengthy procedure

**Table 2. Administrative Options** 

	Types of	Service Funding		New Authority	
	Projects Allowed	Area	Mechanisms Allowed	Formation Requirements	Implementation Time
County of Los Angeles	Wide Variety	Limited	Tax and Fee	NA – Existing Authority	NA
Flood Control District	Some Limits	Broad	Limited Fee* and Assessment	New Fee Legislation	~ 4 months
New Special District	Wide Variety	Very Broad	Tax, Fee, and Assessment	District Formation (New Legislation)	~8 months
New JPA	Dependent on Participants	Dependent on Participants	Tax, Fee, and Assessment	JPA Formation (multi-party agreement)	~10 months
Community Services District	Variety	Very Broad	Tax, Fee, and Assessment	District Formation (LAFCO Process)	3+ years
Mello Roos Financing District	Variety	Very Broad	Tax	District Formation	~ 10 months
Water Conservation District	Variety	Very Broad	Pumping Fee and Assessment	District Formation	1+ years

<sup>\*</sup>Flood Control District fee authorities limited by AB 2554



## **Next Steps**

As part of the Water Resilience Plan, the Department of Public Works will continue to develop an assessment of water needs, providing a rapid assessment and summary of preliminary findings to the Board of Supervisors within the next three months. Additional components outlined in the Water Resilience Plan include a literature review and definition of water resilience and a website to provide public information on the water resilience effort.